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October 5, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Application of South Carolina Electric & Gas Company for a Certificate of Environmental Compatibility and Public Convenience and Necessity for the Construction and Operation of the Pepperhill- Summerville 230 kV Line, Williams – Pepperhill 230 Line Segment, Canadys – Faber Place 230 kV Line Segment, and Associated Facilities and Request for Like Facilities Determinations
Docket No. 2018-197-E

Dear Ms. Boyd:

Enclosed for filing on behalf of South Carolina Electric & Gas Company and the South Carolina Office of Regulatory Staff is a Joint Proposed Order Granting a Certificate of Environmental Compatibility and Public Convenience and Necessity in the above-captioned docket.

By copy of this letter, we are serving all other parties of record with a copy of the Joint Proposed Order.

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,

Matthew W. Gissendanner

MWG/kms
Enclosures

(Continued ...)

The Honorable Jocelyn G. Boyd

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cc: Dawn Hipp
Jeffrey M. Nelson, Esquire
Jenny R. Pittman, Esquire
Alvin A. Taylor
Duane Parrish
Michael S. Traynham, Esquire
Susan A. Lake, Esquire
(all via U.S. First Class Mail w/enclosures)

BEFORE
THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NO. 2018-197-E - ORDER NO. 2018-__
OCTOBER __, 2018

IN RE:

Application of South Carolina Electric & Gas Company for a Certificate of Environmental Compatibility and Public Convenience and Necessity for the Construction and Operation of the ~~Pepperhill~~– Summerville 230 kV Line, ~~Williams~~– Pepperhill 230 Line Segment, ~~Canadys~~– Faber Place 230 kV Line Segment, and Associated Facilities and Request for Like Facilities Determinations.

**JOINT PROPOSED
ORDER GRANTING A
CERTIFICATE OF
ENVIRONMENTAL
COMPATIBILITY AND
PUBLIC CONVENIENCE
AND NECESSITY**

I. INTRODUCTION

This matter comes before the Public Service Commission of South Carolina (the “Commission”) on the Application of South Carolina Electric & Gas Company (“SCE&G” or the “Company”) for a Certificate of Environmental Compatibility and Public Convenience and Necessity (“Certificate”) for the construction and operation of the ~~Pepperhill~~ – Summerville 230 kV Line, ~~Williams~~ – Pepperhill 230 kV Line Segment, ~~Canadys~~ – Faber Place 230 kV Line Segment, and Associated Facilities (collectively, the “Proposed Lines”) in Berkeley and Charleston Counties, South Carolina, and for the issuance of a like facility determination for the rebuild of an approximately 3.9-mile segment of the ~~Summerville~~– Williams 230 kV Line (“Like Facility Determination”). SCE&G filed this application (the “Application”) on June 14, 2018, and

contemporaneously served it on the South Carolina Office of Regulatory Staff (“ORS”) and the heads of each state and local governmental agency charged with the duty of protecting the environment or of planning land use in the area in the counties in which any portion of the facility will be located. At the request of the Company, the Commission established this docket pursuant to the provisions in S.C. Code Ann. § 58-33-10 et seq. (2015) (the “Siting Act”) and S.C. Code Ann. Regs. 103-304 (2012).

A Notice of Filing and Hearing and Prefile Testimony Deadlines (“Notice”) regarding the Application was prepared and issued by the Clerk’s Office of the Commission (the “Clerk’s Office”). By letter dated June 26, 2018, the Clerk’s Office instructed SCE&G to publish the Notice in newspapers of general circulation in the affected areas one time on or before July 12, 2018, and to provide proof of such publication to the Commission by August 2, 2018. The Company complied with the instructions received from the Clerk’s Office on July 19, 2018, by timely publishing the Notice and thereafter filing an affidavit of publication attesting to publication as directed by the Clerk’s Office.

The Notice established August 2, 2018, as the date by which interested parties or entities could timely file petitions to intervene or present their views in writing to the Commission. No petitions to intervene were filed with the Commission.

ORS is automatically a party to the certification proceeding in this Docket pursuant to S.C. Code Ann. §§ 58-4-10(B) (2015) and 58-33-140(1)(b) (2015). The South Carolina Department of Health and Environmental Control (“SCDHEC”), South Carolina Department of Natural Resources (“SCDNR”), and South Carolina Department of Parks, Recreation and Tourism (“SCPRT”) (collectively, “Other Parties of Record”) are also automatically a party to the certification proceeding in this Docket based on the provisions of S.C. Code Ann. § 58-33-140.

The Commission is informed that the ORS contacted SCDHEC and SCDNR who informed ORS that they do not have any concerns regarding the Company's Application.

On August 28, 2018, ORS and SCE&G filed a Stipulation in this matter. The Stipulation primarily set forth that:

1. ORS will recommend that the Commission approve SCE&G's Application and grant SCE&G a Certificate for the Pepperhill – Summerville 230 kV Line, the Williams – Pepperhill 230 kV Line Segment, the Canadys – Faber Place 230 kV Line Segment and associated facilities, as requested in the Application;
2. ORS has no objection to and will not oppose SCE&G's request for the Like Facility Determination, as set forth in the Application;
3. SCE&G agrees to follow all South Carolina, Commission, and local government regulations and laws arising from matters set forth in the Application; and
4. SCE&G will notify ORS and the Commission when the facilities begin commercial operation and of any changes to the planned commercial operation dates.

On September 11, 2018, the Commission's Standing Hearing Officer informed ORS and SCE&G that the hearing scheduled for September 12, 2018, had been cancelled due to the evacuations and state government closures caused by Hurricane Florence; once the Commission offices reopened, the Standing Hearing Officer formalized this cancellation by issuing Order No. 2018-125H, dated September 17, 2018.

On September 12, 2018, SCE&G and the ORS filed a Joint Motion for Expedited Review and Disposition without a Hearing ("Joint Motion"), requesting that the Commission accept the detailed verified testimony of the SCE&G and ORS witnesses and grant the relief sought by the Company without a hearing. The Joint Motion was made in light of the scheduling challenges

presented by the closure of state government offices as a result of the Hurricane Florence evacuations, the desire for SCE&G to begin purchasing materials for construction, and the absence of any opposition to the Application or any issue in controversy.

Attached to the Joint Motion were the verifications of the testimony of SCE&G witnesses Joseph Wade Richards, Senior Engineer in Transmission Planning for SCE&G, and Nathan V. Bass, **PLA**, Manager of the Facilities Planning and Siting Division of Pike Engineering, LLC, a subsidiary of Pike Corporation. After state government offices reopened, on September 17, 2018, the ORS filed a verification of the testimony its witness Anthony Sandonato, a Regulatory Analyst in the Utility Rates and Services Division of the ORS.

At its agenda meeting on September 26, 2018, the Commission voted to adopt the verified testimony of the SCE&G and ORS witnesses and accept it into the hearing record, and find that the hearing in this matter has been completed through the submission, review, and acceptance of the verified written testimony.

For the reasons set forth below, the Commission grants the relief requested by SCE&G in the Application.

II. STATUTORY STANDARDS

The Siting Act requires that before constructing and operating new electric transmission lines and associated facilities with a designed operating voltage in excess of 125 kV the owner must obtain a Certificate from the Commission, provided, however, that the replacement of an existing facility with a like facility, as determined by the Commission, does not require a Certificate. S.C. Code Ann. § 58-33-110(1). In issuing such a Certificate, the Commission is required to make six statutorily-mandated findings. Those findings concern:

1. The basis of the need for the facility. S.C. Code Ann. § 58-33-160(1)(a);
2. The nature of the probable environmental impact of the facility. S.C. Code Ann. § 58-33-160(1)(b);
3. Whether the impact of the facility upon the environment is justified, considering the state of available technology and the nature and economics of the various alternatives and other pertinent considerations. S.C. Code Ann. § 58-33-160(1)(c);
4. Whether the facilities will serve the interests of system economy and reliability. S.C. Code Ann. § 58-33-160(1)(d);
5. Whether there is reasonable assurance that the proposed facility will conform to applicable state and local laws and regulations issued thereunder, including any allowable variance provisions therein, except that the Commission may refuse to apply any local law or local regulation that is unreasonably restrictive. S.C. Code Ann. § 58-33-160(1)(e); and
6. Whether public convenience and necessity require the construction of the facility. S.C. Code Ann. § 58-33-160(1)(f).

The Commission has considered each of these statutory standards in light of the evidence on the record in this proceeding. On that basis, the Commission makes findings as set forth below:

III. FACTS AND LEGAL DETERMINATIONS

A. The Need for the Facilities, System Economy and Reliability, and Public Convenience and Necessity

The Company adheres to the NERC Transmission Planning Standards, as well as its own Long Range Planning Criteria, in determining the need for new transmission facilities. According

to Mr. Richards, the SCE&G Transmission System is designed in accordance with these standards and criteria so that nothing more serious than local load impacts will occur during certain contingencies and so that after appropriate switching and re-dispatching, all non-radial loads can be served with reasonable voltages, and all facilities can again operate within acceptable operating limits. A sample of contingencies considered includes:

1. Loss of any generator;
2. Loss of any transmission circuit operating at a voltage level of 115 kV or above;
3. Loss of any transmission transformer;
4. Loss of any electrical bus and associated facilities operating at a voltage level of 115 kV or above;
5. Loss of all 115 kV or above circuits on a common structure;
6. Loss of entire generating capacity in any one generating plant;
7. Loss of any generating unit simultaneously with the loss of a single transmission line;
8. Loss of all components associated with a transmission circuit breaker failure; and
9. Loss of any generator, transmission circuit, or transmission transformer, followed by manual system adjustments, followed by the loss of another generator, transmission circuit, or transmission transformer.

As indicated in the Application and in the testimony of Mr. Richards, SCE&G's Transmission Planning studies have identified two possible future single contingency occurrences in the southern region of its service area that would constitute violations of both NERC Transmission Planning Standards and SCE&G's Long Range Planning Criteria as early as May 2020. More specifically, Mr. Richards testified that the first single contingency occurrence identified—an outage on the Summerville Substation's 230 kV #2 Bus—would result in the loss of the St. George – Summerville 230 kV #2 Line, the Williams – Summerville 230 kV Line, and

the 230/115 kV #2 transformer at the Summerville Substation and that this would then result in thermal violations on Summerville 230/115 kV Transformer #1, the only remaining 230/115 kV transformer at that substation, and heavy loading on other electrical equipment. Mr. Richards also testified that the second single contingency occurrence—an outage of two circuits that share common structures (the St. George – Summerville 230 kV #1 and #2 Lines)—would result in thermal violations on the Canadys – Church Creek 230 kV Line and heavy loading on other electrical equipment.

To address the reliability issues identified and improve power flow in the southern region of SCE&G's service area, Mr. Richards testified that SCE&G proposes to add the Pepperhill – Summerville 230 kV Line, the Williams – Pepperhill 230 kV Line Segment and associated facilities to SCE&G's transmission system in the southern region of its electric service area. Mr. Richards further testified that, to accommodate this work, the existing Pepperhill – Faber Place 230 kV Line will be disconnected from its 230 kV terminal at the Pepperhill Substation and reconnected to the Canadys 230/115 kV Substation. To accomplish this new connection at the Canadys Substation, Mr. Richards testified that the span now connected to the 230 kV line terminal at the Pepperhill Substation, approximately 350 feet in length, will be relocated (as the new Canadys – Faber Place 230 kV Line Segment) and connected to the remaining portion of the existing Williams – Canadys 230 kV Line, which will be available after a portion of the Williams – Canadys 230 kV Line is terminated at the Pepperhill Substation to form the Williams – Pepperhill 230 kV Line Segment. When this connection is completed, the name of the existing Pepperhill – Faber Place 230 kV Line will be changed to the Canadys – Faber Place 230 kV Line.

Mr. Richards testified that the Company considered four other alternatives to the present proposal to address the reliability concerns identified but that such alternatives were not feasible

because they could not be completed by May 2020, failed to resolve all of the identified reliability issues, or caused other transmission facilities to overload for certain contingencies.

Having considered the various alternatives, SCE&G decided to pursue the present proposal which is the best performing alternative and can be constructed by the in-service deadline of May 2020.

At the hearing in this matter, SCE&G's witness Mr. Richards testified that the proposed Pepperhill – Summerville 230 kV Line would run from the Company's existing Pepperhill Substation in North Charleston, South Carolina, to its existing Summerville Substation near Summerville, South Carolina along existing rights-of-way for approximately 7.8 miles. Mr. Richards also testified that the Pepperhill – Summerville 230 kV Line will share single pole, double circuit ("SPDC") structures with the Williams – Summerville 230 kV Line between Summerville and Ladson Junction for approximately 3.9 miles to a point approximately 400 feet south of Ancrum Road in Charleston County. From that point to the Pepperhill Substation, the Pepperhill – Summerville 230 kV Line will share SPDC structures with the Williams – Canadys 230 kV Line (to be renamed the Williams – Pepperhill 230 kV Line following retermination at the Pepperhill Substation) for approximately 3.5 miles.

Mr. Richards further testified that the Williams – Pepperhill 230 kV Line Segment is planned to run approximately 3.7 miles from the point approximately 400 feet south of Ancrum Road in Charleston County to the Pepperhill Substation terminal. Mr. Richards testified that the Williams – Pepperhill 230 kV Line Segment includes the rebuild of the existing approximately 3.5-mile segment of the Williams – Canadys 230 kV Line and approximately 1,000 feet of new line on single pole, single circuit structures.

Mr. Richards further testified that the Canadys – Faber Place 230 kV Line Segment is

planned to run approximately 350 feet in existing right-of-way contiguous to the Pepperhill Substation. Mr. Richards testified that this line segment will be connected to the existing Pepperhill – Faber Place 230 kV Line after that line is disconnected from its 230 kV terminal at the Pepperhill Substation and to the remaining portion of the existing Williams – Canadys 230 kV Line after the other portion of the Williams – Canadys 230 kV Line is terminated at the Pepperhill Substation. This will form the Williams – Pepperhill 230 kV Line Segment.

Mr. Richards also testified that associated facilities to be added to SCE&G's transmission system include one new 230 kV line terminal at the Pepperhill Substation and one new 230 kV line terminal at the Summerville Substation.

Mr. Richards concluded that the Proposed Lines and associated facilities are critical to the operational integrity of SCE&G's electrical transmission system, are necessary to ensure that the Company's system remains in compliance with NERC standards and its own Long Range Planning Criteria, will improve power flow and prevent unacceptable thermal loading and System Operating Limit violations (as defined by NERC) on the transmission system in the southern region of SCE&G's electric service territory, and represent the most cost-effective proposal in light of system needs and constraints and the best long-term solution for the continued transmission of safe, reliable electric power to SCE&G's customers.

The ORS's witness in this matter, Mr. Sandonato, testified that the Proposed Lines and associated facilities will result in minimal impact to the environment and will serve the interests of system economy and reliability. Further, that the Proposed Lines and associated facilities will support the Company in providing reliable electric service to its customers. Mr. Sandonato supported Mr. Richards's conclusion that the Proposed Lines and associated facilities under review here serve the interests of system economy and reliability and are supported by public convenience

and necessity.

The Commission finds Mr. Richards's testimony concerning the basis for the need for the Proposed Lines and the associated facilities, and the contribution to system economy and reliability they represent, as corroborated by Mr. Sandonato, to be credible. This evidence supports a finding by the Commission that the Proposed Lines and the associated facilities are needed, that they serve the interests of system economy and reliability, and that they are required by public convenience and necessity. Accordingly, the Commission finds that as to the Proposed Lines and associated facilities, the statutory standards of S.C. Code Ann. §§ 58-33-160(1)(a),(d), and (f) are fully met by the evidence of record here.

B. The Nature and Justification of the Probable Environmental Impact of the Proposed Lines and the Associated Facilities

The Siting Act also requires the Commission to evaluate the nature of the probable environmental impact from the Proposed Lines and the associated facilities and to determine whether the impact upon the environment is justified, considering the state of available technology and the nature and economics of the various alternatives and other pertinent considerations.

An important fact about the Proposed Lines is that SCE&G plans to construct them entirely within existing rights-of-way. There is substantial evidence in the record amply supporting the environmental benefits of SCE&G's decision to build the Proposed Lines primarily on existing rights-of-way. As Mr. Bass testified, use of existing rights-of-way for the majority of the Proposed Lines minimizes the amount of environmental, land use, cultural resource and aesthetic effects from the Proposed Lines.

This conclusion is substantiated by the Transmission Line Siting and Environmental Report for the Pepperhill- Summerville 230 kV Line, Williams- Pepperhill 230 kV Line Segment and

Associated Facilities, which Mr. Bass presented as an exhibit to his testimony (“Environmental Report”). SCE&G Exhibit No. __ (NVB-11). This Environmental Report was based on literature and record reviews and extensive field-work by biologists, botanists, cultural resource historians and others to ascertain the probable environmental impact of constructing and operating the Proposed Lines and the associated facilities along the selected routes. As detailed in the Environmental Report, biologists and botanists conducted field studies to ascertain whether the construction and operation of the Proposed Lines and the associated facilities were likely to have any adverse impact on any state or federally-listed rare, threatened or endangered plant or animal species. They determined that such species were not likely to be adversely affected by the Proposed Lines or the associated facilities.

These facts were set forth in Mr. Bass’s testimony and the various studies that form part of the Environmental Report prepared for the Proposed Lines and the associated facilities. Based on these facts, Mr. Bass testified that the construction and operation of the Proposed Lines and the associated facilities would not have any significant short- or long-term impacts on the environment.

As to cultural resources, Mr. Bass testified that SCE&G engaged Brockington and Associates, Inc. in April 2012 to conduct background research to identify all previously recorded archaeological and architectural resources within the vicinity of the Lines’ routes (within 0.5 miles of the Lines for archaeological resources and within 1.25 miles for architectural resources) and to conduct a “windshield reconnaissance survey” to identify any previously unrecorded resources within 1.25 miles of Lines’ routes that appear potentially eligible for listing on the National Register of Historic Places (“NRHP”).

Brockington conducted a Phase I archaeological investigation within the right-of-way of the Pepperhill – Summerville 230 kV Line in May and July 2014. The 2014 Phase I investigation included the area that will be crossed by the Canadys – Faber Place 230 kV Line Segment. During the investigation, Brockington visited three previously recorded archaeological sites. Brockington determined that two of the sites are no longer present and recommended that the remaining site—an extensive inland rice dike system located near the east end of McChune Branch—should remain eligible for the NRHP and that placement of transmission structures be planned to avoid ditches and embankments that are elements of the rice dike system. The 2014 Phase I archeological investigation revealed no additional archaeological sites that should be classified as eligible or potentially eligible for the NRHP and taken into consideration during planning and construction of the Proposed Lines. The findings of the 2014 Phase I archaeological investigation were summarized in a report prepared by Brockington entitled Cultural Resources Survey of the Summerville-Pepperhill 230 kV Transmission Line and submitted to the State Historic Preservation Office (“SHPO”) for review. The SHPO issued a letter concurring with Brockington’s findings on September 8, 2014. Mr. Bass testified that, consistent with Brockington’s recommendations, SCE&G will design the Proposed Lines to span the elements of the rice field embankments and ditches in the right-of-way, and no tree clearing will be required within or near the site. As such, the site will not be disturbed during construction or operation of the Proposed Lines.

Mr. Bass further testified that SCE&G engaged Brockington in 2018 to conduct an additional records review; a Phase I architectural investigation within the right-of-way of the last 1,000 feet of the Williams - Pepperhill Line Segment, which was not included in the 2014 investigations; and a windshield reconnaissance survey that completely supersedes the one completed in 2012. According to Mr. Bass, the 2018 Phase I archaeological investigation

confirmed that no archeological resources are present along the last 1,000 feet of the Williams – Pepperhill 230 kV Line Segment, and consequently, no adverse effects to archaeological resources will occur as a result of construction and operation of the Proposed Lines and associated facilities.

Mr. Bass testified that Brockington conducted a records review immediately prior to the 2018 windshield reconnaissance survey and determined that 116 architectural resources were documented to reside within 1.25 miles of the proposed Lines' routes, two of which are classified as NRHP Eligible. No architectural properties designated as "National Historic Landmarks" or "Historic Districts" are recorded within 1.25 miles of the routes of the Lines.

Mr. Bass testified that, during the windshield reconnaissance survey conducted in April 2018, Brockington visited each of the 116 previously recorded architectural resources. Brockington determined that five of the documented resources have been demolished; three of the documented resources that were documented to be ineligible for NRHP should be considered eligible for NRHP for planning purposes; one documented resource that was classified as not eligible for the NRHP should be classified as potentially eligible for the NRHP; and two undocumented resources should be classified as potentially eligible for NRHP and added to the list of documented resources. Brockington concluded that it is unlikely that any of the four resources they believe should be reclassified as eligible/potentially eligible or the two previously undocumented resources they believe should be classified as potentially eligible for NRHP will have a view of the proposed Lines.

Mr. Bass further testified that a computerized view analysis and field visit confirmed that none of the resources within 1.25 miles of the Pepperhill – Summerville 230 kV Line classified as NRHP eligible will have a view of the proposed Lines. Likewise, none of the resources on the

South Carolina Department of Archives & History list Brockington believes should be reclassified to as eligible/potentially eligible will have a view of the Lines.

With regard to visual impacts, Mr. Bass testified that the Proposed Lines will have very low overall visual effects for several reasons—the main reason being that the Proposed Lines will be built within existing SCE&G right-of-way and the SPDC structures to be used will replace an existing 230 kV single-circuit wooden H-frame structures. Also, according to Mr. Bass, the segment of the Pepperhill – Summerville 230 kV Line north of the Ladson Junction will reside in an area where visual conditions are highly modified by residential, commercial, industrial, and institutional development; the segment of the Pepperhill – Summerville 230 kV Line south of the Ladson Junction will run through a generally remote area where existing trees will reside on each side of the right-of-way for virtually all of the distance; and the last 1,000 feet of the Williams – Pepperhill 230 kV Line Segment and the Canadys – Faber Place 230 kV Line Segment will be constructed in right-of-way immediately adjacent to the Pepperhill Substation and alongside existing 115 kV and 230 kV transmission lines.

In his testimony, Mr. Bass concluded that the impact of the Proposed Lines and the associated facilities upon the environment was justified considering the state of available technology and the nature and economics of the various alternatives. In reaching this conclusion, Mr. Bass noted that Mr. Richards testified that SCE&G had considered several alternatives to the Proposed Lines and associated facilities and determined that the proposed facilities were superior solutions for providing SCE&G's customers with long-term electric system reliability. Mr. Bass also testified that any resulting environmental impacts were minimized by the Company's decision to construct the Proposed Lines entirely on existing rights-of-way.

The ORS's witness in this matter, Mr. Sandonato, testified that the ORS had reviewed the

Environmental Report and contacted SCDHEC, SCDNR, and SCPRT regarding the Proposed Lines and associated facilities, and that, based on its review of the Environmental Report and its discussions with the other statutory parties, ORS concluded that the Environmental Report adequately addressed the environmental impacts of the Proposed Lines.

The Commission finds that the evidence SCE&G and ORS presented through their witnesses Mr. Bass, Mr. Richards, and Mr. Sandonato as to these matters is credible and persuasive. Based on the evidence of record, the Commission finds that the environmental impacts of the Proposed Lines and associated facilities have been appropriately evaluated, described and are not significant. These impacts are justified considering the state of available technology and the nature and economics of the various alternatives to the proposed siting of the Proposed Lines and the associated facilities. Accordingly, the Commission finds that as to the Proposed Lines and associated facilities, the statutory standards of S.C. Code Ann. §§ 58-33-160(1)(b) and (c) are fully met by the evidence of record here.

C. Assurance that the Proposed Facilities Will Conform to Applicable State and Local Laws and Regulations

The Siting Act requires the Commission to determine whether there is reasonable assurance that the proposed facilities will conform to applicable state and local laws and regulations issued thereunder. S.C. Code Ann. § 58-33-160(1)(e). Mr. Richards testified unequivocally that the Proposed Lines and associated facilities will be constructed and operated in conformity with all applicable state and local regulations.

D. Conclusion as to the Public Convenience and Necessity of the Proposed Lines and the Associated Facilities

In conclusion, the Proposed Lines and associated facilities represent a feasible, appropriate and cost-effective means for maintaining system reliability and providing safe, reliable electric

service to SCE&G's customers. For the reasons outlined herein, the Commission finds that the public convenience and necessity supports issuance of a Certificate for the construction and operation of the Proposed Lines and the associated facilities as proposed. S.C. Code Ann. § 58-33-160(1)(f).

E. The Replacement of An Existing Facility with A Like Facility

The Siting Act provides that "the replacement of an existing facility, as determined by the Commission, shall not constitute construction of a major utility facility" and therefore does not require a Certificate.

Mr. Richards testified that, in an approximately 3.9-mile long section of existing right-of-way between Summerville and Ladson Junction, the existing H-frame structures on which the Williams - Summerville 230 kV Line currently resides will be removed, and SPDC structures will be installed in their place. Mr. Richards further testified that, the new Pepperhill - Summerville 230 kV Line for which a Certificate is being requested will reside on one side of these SPDC structures and the existing Williams - Summerville 230 kV Line will reside on the other side. Mr. Richards testified that the conductor on the Williams - Summerville 230 kV Line will be upgraded to bundled 1272 ACSR conductor and that the replacement segment of the Williams - Summerville 230 kV Line will not result in any significant increase in environmental impact of the facility or substantially change the location of the facility.

Mr. Sandonato testified that ORS has no objection to the Company's request for the Like Facility Determination.

The Commission finds that the evidence SCE&G presented through its witness Mr. Richards as to this matter is credible and persuasive. Based on the evidence of record, the Commission determines that the rebuild of the existing Williams - Summerville 230 kV Line

between Summerville and Ladson Junction constitutes “the replacement of an existing facility with a like facility” and therefore does not constitute “construction of a major utility facility” for which certification would be required under the Siting Act.

IV. FINDINGS

NOW THEREFORE, based upon the foregoing, IT IS HEREBY DECLARED AND ORDERED THAT:

1. SCE&G is hereby granted a Certificate of ~~Environmental~~ Compatibility and Public Convenience and Necessity for the construction and operation of the ~~Pepperhill-~~ Summerville 230 kV Line, ~~Williams-~~ Pepperhill 230 kV Line Segment, Canadys ~~-Haber~~ Place 230 kV Line Segment, and Associated Facilities in Berkeley and Charleston Counties, along the route described in the testimony of Mr. Richards.
2. SCE&G has shown the basis of the need for the Proposed Lines in that construction of the Proposed Lines is necessary to prevent unacceptable thermal loading and System Operating Limit violations (as defined by NERC) on the transmission system in the southern region of SCE&G’s electric service territory, as early as May 2020, upon the occurrence of certain contingencies and to ensure that SCE&G remains in compliance with applicable NERC Reliability Standards and SCE&G Long Range Planning Criteria.
3. SCE&G has shown the nature of the probable environmental impact from construction and operation of the Proposed Lines and the associated facilities is not significant. Considering the state of available technology and the nature and economics of the various alternatives and other pertinent considerations, this

impact is justified. By constructing the Proposed Lines within existing rights-of-way, SCE&G has selected the route for these Proposed Lines and associated facilities in a way that appropriately minimizes environmental, land use, cultural resource, and aesthetic effects.

4. SCE&G has shown the Proposed Lines and associated facilities will serve the interests of system economy and reliability.
5. SCE&G will follow all applicable South Carolina, Commission, and local government regulations and laws arising from matters set forth in the Application.
6. Public convenience and necessity require the construction of the Proposed Lines and the associated facilities.
7. The rebuild of the existing Williams – Summerville 230 kV Line in an approximately 3.9-mile long section of existing right-of-way between Summerville and Ladson Junction constitutes “the replacement of an existing facility with a like facility” and therefore does not constitute “construction of a major utility facility” for which a Certificate would be required under the Siting Act.
8. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

Comer H. (“Randy”) Randall, Chairman

ATTEST:

Jocelyn Boyd, Chief Clerk/Administrator

(SEAL)